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FM AMEMBASSY BANGKOK
TO RUEHC/SECSTATE WASHDC IMMEDIATE 7010
INFO RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS
RUEHBY/AMEMBASSY CANBERRA 7143
RUEHWL/AMEMBASSY WELLINGTON 1752
RUEHBJ/AMEMBASSY BEIJING 4235
RUEHKO/AMEMBASSY TOKYO 9273
RUEHUL/AMEMBASSY SEOUL 3119
RUEHCHI/AMCONSUL CHIANG MAI 3570
RUCPDO/DEPT OF COMMERCE WASHINGTON DC
RHEFDIA/DIA WASHDC
RUEATRS/DEPT OF TREASURY WASHINGTON DC
RUEAIIA/CIA WASHINGTON DC
RHEHNSC/NSC WASHDC
RUEKJCS/JCS WASHDC
RUEKJCS/SECDEF WASHINGTON DC
RHHMUNA/USCINCPAC HONOLULU HI

UNCLAS SECTION 01 OF 03 BANGKOK 002790

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SENSITIVE

E.O. 12958: N/A
TAGS: [PREL](#) [PGOV](#) [PHUM](#) [ECON](#) [EINV](#) [KDEM](#) [TH](#)
SUBJECT: THAIS INCREASINGLY SUSPICIOUS OF U.S.

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SUMMARY

11. (SBU) America's image in Thailand has deteriorated in recent months. Thais generally do not share the American concerns prompted by the RTG's issuance of compulsory licenses for prescription medicines. Not only do they continue to believe that Thailand's placement on the USTR Special 301 Priority Watch List represents retaliation for the compulsory licenses, but they also suspect that a swath of the American political class has been co-opted by deposed Prime Minister Thaksin. Thaksin's employment of American lobbyists and public relations specialists -- one of whom has links to a pharmaceutical firm hurt by the compulsory license decision -- has increased wariness of the USG. The situation is exacerbated by Google Inc's slow decision to remove from its YouTube website video clips disrespectful of the Thai King, seemingly pitting Thai love for the monarch against America's broad protection of free speech. The Ambassador has used the media, and most recently a May 16 appearance before a legislative committee, to try to dispel Thai suspicions, but we may remain an easy target against which the Thais can direct anxieties about their political and economic course. End Summary.

IT STARTED WITH THE COUP...

12. (SBU) When the military launched its coup in September, ensuring Thaksin would not soon return from his overseas travels, many Thais expressed a sense of relief, feeling that the country had been saved from a dire predicament. But many urban and cosmopolitan Thais recognized there was something distasteful about a military coup, even as they viewed it as preferable to Thaksin perpetuating his rule. With defensive edginess, Thai opinion-makers sought to rebut implied and explicit foreign criticism, asserting that the coup was "a Thai solution to a Thai problem" and consistent with a distinctly Thai form of democracy that Westerners had trouble understanding. Some Thais sounded an unhappy note when we

suspended millions of dollars of military aid, comparing unfavorably our response with the more ingratiating approach of the Chinese. Some Thais questioned whether we applied a double standard, since we had waived sanctions against Pakistan (albeit years after Musharraf's takeover, we pointed out).

THE LOBBYISTS

¶3. (SBU) If sophisticated Thais worried about their country's international image in the wake of the coup (e.g., the possibility that Thailand would find itself lumped in with Burma, while neighboring Indonesia won praise for its transition to democracy), their anxiety was soon exacerbated by news that globe-trotting deposed PM Thaksin retained top-notch lobbying and public relations firms. These firms' powerful, pin-striped images outclassed by an order of magnitude that of the assorted bureaucrats pulled out of retirement to populate the cabinet soon known collectively in the press as "old ginger." Thais from throughout the political class repeatedly sought reassurance from their Embassy contacts that Thaksin's lobbyists would not skew U.S. foreign policy in his favor.

COMPULSORY LICENSES

¶4. (SBU) Health Minister Mongkol Na Songkhla was one of the few cabinet members who appeared energized; unfortunately, one of the efforts to which he devoted himself was the issuance of compulsory licenses (CLs) to enable the RTG to produce or import generic medicines that violated the patents of large pharmaceutical firms. In December and January, the RTG announced it had issued CLs for three medicines produced by Merck, Abbott Labs, and Sanofi-Aventis. U.S.-based Abbott

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retaliated by withdrawing its applications for registering new products in Thailand; activists denounced the move and held demonstrations outside Abbott's offices in Bangkok, and the Embassy.

¶5. (SBU) Abbott also hired a public relations firm to focus attention on the RTG's actions. This firm, connected to a prominent former USG official who is also associated with one of the U.S. companies hired by Thaksin, authored articles and bought advertisements to convey its views. In emotionally charged terms, the firm condemned the CLs as "theft," and labeled Minister Mongkol's justifications for his actions as "deceit." The firm did not limit its views narrowly to the CLs, however; it decried the military's overthrow of Thaksin and criticized a wide range of the RTG's economic and financial policies while labeling the country as part of an "axis of IP evil" for violating intellectual property rights. This firm also threw in intellectually dishonest and misleading assertions for good measure, e.g., that Thailand is becoming another Burma, and that the interim government is responsible for deterioration in the South.

USE OF THE INTERNET

¶6. (SBU) The aforementioned firm placed full-page ads, using more moderate but still highly contentious language, in Thai newspapers; it also established a website: thailies.com, which now directs one to a site labeled thaimyths.com. In late April, the firm posted a video message on Google Inc's YouTube video-sharing site. The choice of YouTube seemed designed to highlight the RTG's decision earlier that month to block access to the YouTube site, after clips disrespectful of revered King Bhumibol were posted there. The sense of outrage over the clips prompted public discourse over the limits of free speech. While few Thais expressed qualms about blocking the negative depictions of the King, they did demonstrate awareness of differences in Thai and

American values, with reverence for the King and respect for authority and politeness paramount in the former, and freedom of speech (even if offensive or insensitive) prominent in the latter. Some commentators highlighted Google Inc's supposed willingness to adhere to Chinese government censorship standards in order to operate in the PRC, while they claimed the corporation failed to respond with appropriate speed and deference when Thai sensitivities were at stake. Thais humbly acknowledged the difference in Google Inc's response likely stemmed from Thailand's relatively low level of international influence.

17. (SBU) While the creators of the disrespectful clips remain unknown, the Thai press reported rumors of Thaksin's or his sympathizers' involvement. It has long been suspected that Thaksin considered the King as his main rival for influence, and the monarchy as an institution that should be diminished in stature. Some have previously claimed that Thaksin supported an anti-royalist website maintained in Europe, manusia.com -- although the preeminent pro-Thaksin site, hi-Thaksin.net, highlights Thai adoration for the King, even as it provides material to promote Thaksin's political agenda. The Council for National Security (CNS) -- composed of the coup leaders -- recently set up its own website, to counter Thaksin's propaganda. Clearly, though, in political terms the Internet provides the current regime with more nuisances (in the form of unwanted foreign intrusion) than benefits or opportunities.

PRIORITY WATCH LIST

18. (SBU) By May, Thais had demonstrated they were sensitive and insecure about their international standing; they worried that their wealthy deposed PM was buying influence in Washington; and both known and unknown figures were using the Internet and other means to get exposure for hostile views. In this context, our announcement of Thailand's placement on

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the Special 301 Priority Watch List (PWL) appeared to the conspiracy-minded as another in a series of foreign jabs. It was easy for some to paint the PWL decision as retaliation for the compulsory licensing decision; an upcoming determination that certain Thai exports will no longer be eligible for preferential duty treatment under the Generalized System of Preferences will likely be seen in a similar light, characterized as another vindictive U.S. action placing the health of U.S. corporate profits above that of "poor Thais."

GETTING OUR MESSAGE OUT

19. (SBU) We have generally avoided publicly addressing the suspicions surrounding Thaksin's hiring of U.S. lobbyists; any explanation, no matter how clear, would simply encourage further discourse on the topic and enable critics to smirk that we protest too much. We have taken an active approach on PWL, however, arranging numerous interviews with the Ambassador so he could explain to the local media our standards and the importance of IPR protection. On May 16, the Ambassador went to the parliament for a two-hour meeting with nine members of the National Legislative Assembly's Committee on Foreign Affairs, to discuss these issues. The legislators were predisposed to believe that the PWL determination was driven by resentment over the RTG's issuance of compulsory licenses. However, they took on board the Ambassador's explanation that PWL determination was based principally on the widespread, open availability of counterfeit brand-name apparel and illegal copies of software and video and music discs. The upcoming visit of EAP A/S Hill should provide another opportunity to clarify that our actions are driven by objective criteria, not political grudges.

COMMENT

¶10. (SBU) The post-coup government has made its fair share of political and economic blunders, and the Thais are the first to acknowledge (and criticize) their own failings. This has created an environment of heightened sensitivities, however -- and these are exacerbated by an understanding that Thailand's beloved King is in ill health, and a traumatic succession process lies in the not-too-distant future. As has happened here in the past, in times of national difficulty, an increased sense of nationalism is engendered and often encouraged. Current RTG efforts to change laws on foreign investment are indicative of this mood. We will continue working to preserve a friendly bilateral relationship, even as American entities and mechanisms outside of our control complicate U.S. Government efforts.

BOYCE